

Assembly Bill No. 834

Passed the Assembly July 13, 2005

Chief Clerk of the Assembly

Passed the Senate July 11, 2005

Secretary of the Senate

This bill was received by the Governor this ____ day
of _____, 2005, at ____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Sections 19412, 19549.6, and 19610.8 of the Business and Professions Code, relating to horse racing, and making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 834, Jones. Horse racing.

Existing law defines various types of parimutuel pools, as specified.

This bill would permit harness racing results to be included in proposition parimutuel pool wagers.

Existing law requires the California Horse Racing Board to allocate racing weeks as it deems appropriate, while generally limiting harness racing in the northern zone to 25 weeks per year. Existing law provides a separate general limitation on racing by each fair of 14 days, or 3 weeks in certain circumstances. However, existing law provides that, notwithstanding these general limitations, the board may allocate additional weeks of harness racing to a lessee of the California Exposition and State Fair in Sacramento to be raced at the California Exposition and State Fair in Sacramento.

This bill would authorize the board to allocate these additional weeks of harness racing to the California Exposition and State Fair in Sacramento or to its lessee, to be raced at the California Exposition and State Fair in Sacramento.

Existing law permits the board, upon the request of the association or fair accepting the wager, and the organization of participating horsemen and horsewomen, to set the percentage deducted from the parimutuel pool for any new wager introduced after January 1, 2004, as specified, to be distributed as specified.

This bill would include proposition wagers with any new wager introduced for which the board sets the percentage deducted, and would prescribe an alternate distribution scheme for quarter horse racing commissions and purses.

Under existing law, revenues distributed to the state as license fees from horse racing are required to be distributed in the Fair and Exposition fund and are continuously appropriated to the

Department of Food and Agriculture for various regulatory and general governmental purposes.

By providing for state license fees of 3% for new types of wagers that otherwise would be subject to lower state license fees as exotic wagers, this bill would increase the amount of continuously appropriated license fees, thereby making an appropriation.

This bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 19412 of the Business and Professions Code is amended to read:

19412. (a) “Conventional parimutuel pool” means the total wagers under the parimutuel system on any horse or horses in a particular race to win, place, or show.

(b) “Exotic parimutuel pool” means the total wagers under the parimutuel system on the finishing position of two or more horses in a particular race, such as quinella or exacta wagers, or on horses to win two or more races, such as daily double wagers, pick six wagers, or on other wagers approved by the board.

(c) “Proposition parimutuel pool” means the total wagers under the parimutuel system on propositions approved by the board that are based on the results of a live quarter horse or harness horse race or races.

SEC. 2. Section 19549.6 of the Business and Professions Code is amended to read:

19549.6. Notwithstanding subdivision (b) of Section 19531 and Sections 19540, 19546, and 19549, the board may allocate additional weeks of harness racing to the California Exposition and State Fair in Sacramento or its lessee, to be raced at the California Exposition and State Fair in Sacramento.

SEC. 3 Section 19610.8 of the Business and Professions Code is amended to read:

19610.8. Notwithstanding any other provision of law, and in lieu of any deduction and distribution provided for in this chapter, upon the joint request of the association or fair accepting the wager, and the organization representing the horsemen and

horsewomen participating in the meeting of the association or fair accepting the wager, the board may set the total percentage deducted from the parimutuel pool for proposition wagers and any new type of wager introduced after January 1, 2004, in an amount of at least 10 percent and not more than 30 percent of the amount handled in the parimutuel pool for the wager. Three percent of the amount deducted shall be paid to the state as a license fee and, if the wager was placed at a satellite wagering facility or a location other than the host racing association, 8 percent of the amount deducted shall be paid to the satellite wagering facility or to the entity that processed the wager. Notwithstanding the foregoing and in lieu of the license fee set forth herein for proposition wagers, with regard to quarter horse racing only, the total wagers made in a proposition parimutuel pool are subject to the same license fee as exotic wagers on a live quarter horse race. In addition, with respect to thoroughbred racing only, 3 percent of the amount remaining after the payment of the state license fee and payment to a satellite wagering facility or an entity that processed the wager, if any, shall be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2, and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2. Thereafter, for all kinds of racing, except quarter horse racing, the remaining amount shall be distributed 50 percent to the association conducting the racing meeting and 50 percent to the horsemen participating in the racing meeting as purses. With regard to quarter horse racing, commissions and purses shall be distributed in the amounts mutually agreed upon by the association conducting the meeting and the organization representing the horsemen and horsewomen.

SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to eliminate uncertainty in the harness racing schedule, preserve jobs, ensure that harness racing can be conducted on a year-round basis, and for this act to apply to the 2005 racing season, it is necessary for this act to take effect immediately.

Approved _____, 2005

Governor